October 2013



Indiana Real Estate Commission

Indiana Professional Licensing Agency 402 W. Washington Street, Room W072 Indianapolis, Indiana 46204 (317) 234-3009 www.pla.in.gov



Reminder:

Have you transitioned your license yet? Sales persons must upgrade to a broker license (via a 24 hour course) before July 1, 2014. Find a list of approved broker transition course providers and start the process.

Big Changes to Indiana Real Estate License Law

In 2012 the Indiana Legislature enhanced the real estate profession in Indiana by making changes to education, licensing, and administration.

The changes allow for current salespersons to upgrade their license before July 1, 2014 to a broker license by completing a twenty four (24) hour transition course.

After July, 2014, the real estate industry will consist of managing brokers and brokers. The license renewal period will extend to a three (3) year period, pre-licensing education will go from fiftyfour (54) to ninety (90) hours, and continuing education requirements will change to twelve (12) hours each year.

The transition period began on July 1, 2012. At that time, there were 15,743 salespersons licensed with the Commission. Around 6.125 of those licensees were in active status and therefore require transition to continue to practice. Since the start of the transition period, only 3,203 salespersons have upgraded their license to broker. During the same time period, the Commission has issued 2,194 new salesperson licenses. There are currently 7,525 salespersons that must upgrade to broker licensure by July 1, 2014. As you can imagine, with just over eight

(8) months left of the broker transition period, there will be a rush to get the upgrade completed.

We hope to see many more salespersons transition before the end of the year, so that no significant delays are seen as the end of the transition period draws nearer.

If you have any questions about the transition, please review the information found at http://www.in.gov/pla/3361.htm or contact our office at (317) 234-3009 or pla@pla.in.gov.

Message from the PLA Director - Nicholas W. Rhoad

All of us at the Indiana Professional Licensing Agency appreciate your professionalism and your commitment to make Indiana a state that works. *Chief Executive* magazine recently ranked Indiana as the fifth best state for business in America and first in the Midwest. *Site Selection* magazine ranked Indiana second in its list of Top 10 Competitive States.

As I settle in to my role as Executive Director, I want to let you know that we strive to build on our success. We

are focused on removing unnecessary barriers to practice and doing all that we can to support business in the Hoosier state. I hope you will join me and the PLA staff in helping Governor Mike Pence cut red tape to infuse energy into our business climate. Every dollar



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Commission Members

Mark R. Bock, Chairman 3rd Congressional District

Suzan M. Cox, Vice Chairman 2nd Congressional District

Paul Boyter At-Large

Susan Daniel Consumer

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Vacant Consumer

Real Estate License Transfer is Now Online

The online real estate transfer application has been in operation for about 9 months and has become a great tool for licensees to quickly and efficiently notify the Commission of a status or association change.

This new online system is a significant improvement to the way we previously processed these transfer requests (snail mail). The new system allows for any transfer that does not require confirmation of education or other documentation to be completed online. This means the following transfers can be done **without** check, envelope, and approximate three day wait:

- One company/broker to another
- Active with one company/broker into referral status with a new company/broker
- Active into referral
- Active into unassigned
- Active into inactive
- Referral into inactive

The online transfer application is a simple, easy to use, and efficient system. Below are some of the questions we have either already received, or expect to receive.



What do I do now?

Depending on the current status of your license, you can complete any number of types of license transfers. Want to go inactive? Joining a new company? Click on the link that corresponds with the transfer you want, and you have begun the process.

I am a principal broker. How am I supposed to know if an associate has left my company?

Upon submitting a transfer request, a notification email is sent to the broker previously holding the associate's license. This notification alerts the broker that an associate has begun the transfer process.

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"We're striving to cut red tape to make Indiana a state that works! Have ideas? Please give us your suggestions at www.in/gov/cutredtape."

Nicholas W. Rhoad

PLA Executive Director

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not spent on regulator paperwork and bureaucracy is another dollar that can be spent putting Hoosiers to work. I look forward to visiting future commission meetings to ask how the Indiana Professional Licensing Agency can help take Indiana from good to great. Are there burdensome regulations or costly requirements that aren't necessary for the public good? Do you struggle to meet requirements that end up smothering the growth of your business?

We welcome your suggestions at www.in.gov/cutredtape.

I look forward to hearing from you. Thank you for making Indiana an even better place to live and work!

Juholas W. Ahoad

Free CE November 15, 2013

Mortgage Lending and Fraud Task Force CLE Indiana Agency Enforcement of Residential Mortgage Fraud

Friday, November 15, 2013

Registration begins at 8 am & the program begins at 9 am Indiana Government Center South, Conference Room 22

Cost to Attendees: Free

CE Hours: 4 total hours (including 1 ethics hour) Click Here for the <u>Agenda</u>

Register now!

CE approved by the Indiana Real Estate Commission

Commission Director Langford Elected ARELLO Alternate Director

The Association of Real Estate Licensing Law Officials (ARELLO) recently elected its 2014 leadership team of officers and directors.

Indiana Real Estate Commission Director Jeanette Langford was elected as an Alternate Delegate for District 3.

Langford has been with the IPLA since February 2000 and

Director of the Commission since 2010. Prior to 2000 she was with the Indiana Secretary of State Office.

Langford has been a member of ARELLO since 2010 and is looking forward to serving in a leadership position to bring

Indiana's formula for economic growth and business success.

Licensee Numbers

Salespersons	17,499
Active	7,534
Inactive	2,690
Referral	6,793
Unassigned	456
Probation	26
Associate Brokers	7,599
Active	6,166
Inactive	314
Referral	1, 118
Probation	1
Principal Brokers	9,449
Active	7,712
Inactive	1,722
Probation	15

Recovery Fund Fee Increase of \$1.25

As you may be aware, IC 25-34.1-7 requires the Commission to collect a fee with each application for licensure or renewal to be deposited into the recovery fund. This statute also requires recalculation of the fee once a certain threshold has been met. Upon review of the recovery fund several weeks ago, it was determined that fee increase of \$1.25 was needed to meet the requirements of statute.

Therefore, effective November 1, 2013, the fee for application for salesperson licensure is now \$40.50 and the fee for application for broker licensure is \$65.50. Renewal and reinstatement fees have also increased. A full new fee schedule can be found at http://www.in.gov/pla/3510.htm

Real Estate Transfer Now Online

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I am a principal broker and I need to remove an associate from my company because I cannot make contact or they refuse to initiate the transfer. Can I use the online system to remove the associate from my company?

Yes, you may log in as yourself and see a list of licensees associated with you or your company. Follow the instructions to remove any associate from your roster. An email notification will be sent to the associate notifying them of the change in their status.

Link to transfer app: https://secure.in.gov/Apps/pla/portal/

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Disciplinary Action

You can find more detail on disciplinary procedure and public records from disciplinary actions

at PLA Litigation Search

Dustin M. Nevil (SP30501059) was issued a letter of reprimand by the Commission after reaching a settlement agreeing that his conduct violated Ind. Code §§ 25-1-11-5(a)(1) (A), 25-1-11-5(a)(2)(B), and 25-1-11-5(a)(3) in that he failed to disclose his conviction for criminal recklessness when renewing his license.

Rebecca Agan's license (AB29700546) was placed on probation by the Commission after reaching a settlement agreeing that her conduct violated Ind. Code §§ 25-1-11-5(a)(1) (B), and 25-1-11-5(a)(4)(A) when she received commission funds from the short sale of her own property.

George F. Hemphill, III's license (SP30704834) was placed on probation by the Commission after reaching a settlement agreeing that his conduct violated Ind. Code § 25-1-11-5(a) (1)(B) in that he engaged in material deception by owning and operating an unlicensed property management company.

Cribs Property Management; **Cribs, LLC**; and **Ronda Dessaur** were ordered to cease and desist the unlicensed practice of real estate in violation of Ind. Code art. 25-34.1.

Dawn R. Combs (SP08902162) was issued a letter of reprimand by the Commission after reaching a settlement agreeing that her conduct violated Ind. Code § 25-1-11-5(a)(3) when she failed to remit deposit money to a client.

Carla D. Wims (PB58602696) was issued a letter of reprimand by the Commission after reaching a settlement agreeing that her conduct violated Ind. Code § 25-1-11-5(a)(4) in that she continued to practice real estate after her license had expired.

Linda Thomas's licenses (AB29500342, PB20701721) were suspended by the Commission after a hearing, finding that she violated Ind. Code § 25-1-11-5(a)(3) when her escrow account was overdrawn multiple times in one month and checks issued to a client were returned for insufficient funds, and Ind. Code § 25-1-11-5(a)(4)(A) in that she acted with professional incompetence by failing to account for and remit funds to a client in a timely manner.

John D. Steele was ordered to cease and desist the unlicensed practice of real estate in violation of Ind. Code art. 25-34.1.

Randall Lipps (SP39300134) was issued a letter of reprimand by the Commission after reaching a settlement agreeing that his conduct violated Ind. Code § 25-1-11-5(a)(4)(A) when he misrepresented a property as a bank owned foreclosure when in fact his company was the true seller of the property.

Ralph Alter's license (PB20500305) was suspended by the Commission after a hearing, finding that he violated Ind. Code § 25-1-11-5(a)(3) and 876 IAC 1-1-40(1) when he failed to maintain a detailed record of funds and any interest accrued in a trust account and failed to provide an accounting when requested.

Contact Us

Have a question about real estate licensing? Need to change information on file?

Feel free to contact the real estate staff at IPLA

Phone: (317) 234-3009
Email: pla9@pla.in.gov

Fax: (317) 233-4236

Indiana Real Estate Commission Staff

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